

TO: Sue Norris

DATE: April 3, 1994

FROM: Marian Wood

SUBJECT: Dave's Seattle Research: March 15th & 16th

Attached is the moderator's report on the Dave's mini-groups that were conducted among Trier Acceptors and Trier Rejecters on March 15th and 16th in Seattle. The primary objectives of this research were to gauge reactions to Dave's product and positioning, explore the concept of Dave's Tobacco Company and to expose consumers to new creative.

The following highlights key findings from this research.

- Dave's has a strong presence in this market. Many smokers became familiar with the product by seeing the billboards, in-store displays and matches. Also, some smokers said they were introduced to Dave's by a friend, frequently someone whose name is Dave.
- Dave's positioning as a "micro-brew" brand was understood by most of these consumers. The billboards graphic style and copy, the simplicity of the brand name and the outsert all contributed towards their understanding of Dave's image.
- Trial was prompted by a combination of factors. Some smokers were attracted to the product because of the advertising or brand name and were prompted to buy because of the lower price. Others tried Dave's because of friend's recommendation.
- Most triers thought Dave's was a good tasting cigarette. Many of the Marlboro and Camel Trier Acceptors consider Dave's as their lower priced alternate brand.

For Trier Rejecters, the decision not to purchase Dave's was based on reasons external to the product. For instance, some of the smokers shop based on lowest price and Dave's is not necessarily the cheapest product. Other smokers are loyal to their brand and do not consider lower priced alternatives.

- Exploring the concept of Dave's Tobacco Company revealed that some consumers knew that Dave's was a PM product. Others assumed there had to be a big company behind Dave's given the tremendous in-market presence.

Reactions to learning that Dave's was a PM product were relatively consistent. The majority of smokers expressed disappointment at the discovery but indicated that they would still buy the brand because of Dave's taste and price.

Only some smokers expressed strong negative reactions when they found out Dave's was made by PM, indicating they felt that had been "totally taken in" by the brand's positioning.

Overall, most respondents agreed that having the name Philip Morris on the pack would be a better approach.

- A variety of advertising and promotion concepts were found appealing and viewed as consistent with Dave's image.

cc: D. Beran                      P. Fernandez  
G. Blumenson                  E. Gee  
J. Bonhomme                  C. Levy  
K. Eisen                        R. Mikulay

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